



# ATTENTION

## EMPLOYERS OF TIPPED EMPLOYEES

EFFECTIVE  
OCTOBER 1, 2006

THE MINIMUM WAGE IN  
ARKANSAS IS \$6.25 PER HOUR

### Does The New Law Apply to Me?

*Yes, if you have more than four employees. Beginning October 1, 2006, all employers having more than 4 employees must pay the Arkansas minimum wage, even those employers who have paid the federal minimum wage in the past.*

### How Much Do I Pay My Tipped Employees?

*You **MUST** pay a cash wage of 42% of the minimum wage or \$2.62 per hour. You **MUST** pay this wage, even if you have previously paid the federal cash wage of \$2.13 per hour.*

*You **MAY** take a tip credit of 58% of the minimum wage, or \$3.63 per hour for tips actually received and retained by an employee. Tips must be sufficient to bring the server's wages up from \$2.62 per hour to \$6.25 per hour.*

### What is the Overtime Rate for Tipped Employees?

*For tipped employees the overtime rate is \$9.38*

### Where Do I Get a Copy of The New Law?

*To get a copy of the new law go to [www.arkansas.gov/labor](http://www.arkansas.gov/labor) and click on the link the Department has provided.*

### Where Do I Get a Copy of The New Minimum Wage and Overtime Poster?

*You may call 501-682-4500 or go to [www.arkansas.gov/labor](http://www.arkansas.gov/labor) and click on the link provided.*